

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1727 - SB 1680

February 14, 2016

SUMMARY OF BILL: Authorizes children of full-time public school support staff to be eligible to receive the 25 percent tuition discount that children of full-time public school teachers, full-time LEA technology coordinators, and retired public school teachers currently receive.

ESTIMATED FISCAL IMPACT:

Decrease in State Revenue - \$1,749,400/FY16-17/TBR
\$1,713,300/FY16-17/UT
Exceeds \$1,801,900/FY17-18 and Subsequent Years/TBR
Exceeds \$1,764,700/FY17-18 and Subsequent Years/UT

Assumptions:

- Based on information from the Department of Education's 2014 Annual Statistical Report, the Tennessee Consolidated Retirement System, and FY14-15 data from the state's higher education tuition discount program, an estimated 2,457 additional students will receive an average tuition waiver of \$712 from Tennessee Board of Regents (TBR) institutions in FY16-17; and an estimated 1,569 additional students will receive an average tuition waiver of \$1,092 from the University of Tennessee (UT) in FY16-17.
- The decrease in state revenue to TBR is estimated to be \$1,749,384 (2,457 x \$712) in FY16-17.
- The decrease in state revenue to UT in FY16-17 is estimated to be \$1,713,348 (1,569 x \$1,092).
- Assuming a minimum increase in tuition of three percent per year, the decrease in state revenue to TBR is estimated to exceed \$1,801,866 (\$1,749,384 x 103.0%) in FY17-18 and subsequent years.
- Assuming a minimum increase in tuition of three percent per year, the decrease in state revenue to UT is estimated to exceed \$1,764,748 (\$1,713,348 x 103.0%) in FY17-18 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/rbp